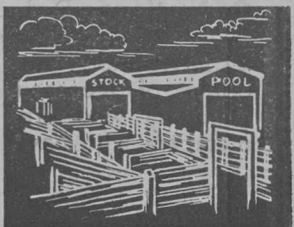
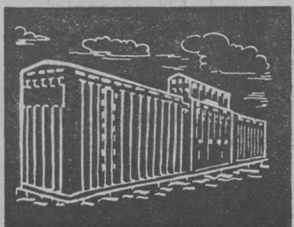


**SASKATCHEWAN CO-OPERATIVE  
PRODUCERS LIMITED ★ REGINA, SASK.**

## **HIGHLIGHTS OF THE 26th ANNUAL MEETING**



***Committee Program***  
***No. 2***



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## Highlights of the 26th Annual Meeting

A bushel of wheat pays its own way no matter who handles it. The amount of control the farmers retain over the grain or livestock while it is on the way to the consumer increases the growers say as to the price he will receive.

One farmer does not own Elevators, Terminals, Livestock Yards and other facilities needed in the business of handling and marketing of grain or livestock. Through co-operation the farmers can own the facilities needed in marketing their products and the farmers built the Wheat Pool and other co-operative associations which they control and operate at cost.

**Saskatchewan Co-operative Producers** This is the parent company—all the assets of all the subsidiary companies are owned by the members on the basis of their individual share and equities in Saskatchewan Co-operative Producers Limited, which are built up by deliveries to Pool Elevators.

All the fixed assets, Elevators, Annexes, Terminals, all equipment, agents' cottages, investments and memberships, accounts receivable (deferred), repairs, parts and supplies, etc., etc., are carried on the books at \$18,370,441.87 and in addition \$350,000.00 was provided to complete the 1949-1950 building program and there is \$4,286,726.55 working capital. The total net assets shown on the books at \$22,997,168.42. During the year 3,322 new members joined the Organization.

**Elevator Deductions** Since 1940 Elevator Deductions and Commercial Reserves totalling \$7,947,581.93 have been transferred from estates of deceased members or from aged members who are no longer farming, to members who have delivered grain to Pool

Elevators. Add \$2,055,666.00 provided on July 31st, 1950, which will be distributed during the year, bringing the total of deductions transferred to \$10,003,247.93.

**Paid to Patrons** The sum of \$28,827,476.57 has been paid out in cash or credits to the member-patrons since the Pool was organized.

**Country Organization** This Department includes Wheat Pool Committees, Delegates and District Representatives. Travelling Superintendents and Agents work closely with Wheat Pool Committees, Delegates and District Representatives as each and every one has a responsibility to further the interest of the Pool and the membership through co-operation.

**Wheat Pool Committees** There are 1,157 Wheat Pool Committees. During the year 1,060 reported re-organization and \$23,610.00 remuneration was paid, on application to Committees who reported holding four or more meetings during the year.

The Committees are the "back-bone" of the work carried on by the Wheat Pool.

**Saskatchewan Pool Elevators Limited** Today, the Pool members own and operate 1,153 country elevators, also annexes, agent's cottages and sundry equipment, together with three terminal elevators at Port Arthur. The country elevators and annexes have a capacity of 62,000,000 bushels and the terminals 17,568,000 bushels. Deliveries to Pool Country Elevators last season amounted to 123,008,626 bushels, or an average of 114,025 bushels compared to last year's average of 104,948 bushels.

For the past year, 51.43% of all grain delivered in Saskatchewan was handled by Pool Elevators. In order to meet the demands for increased storage space, a number of annexes were built and the details are shown in the 26th Annual Report.

Pool Terminals handled 88,161,705 bushels, which amounts to 29.76% of the total Western grain unloaded at the Lakehead.

Outward shipments from Pool Terminals was 83,881,816 bushels and 90.07% went out by lake boat and the balance by rail.

## Surplus for the Year

The surplus for the year amounting to \$2,717,437.88 was allocated as follows:

(1) Share of earnings transferred to Saskatchewan Co-operative Producers Limited.....	\$ 175,417.36
(2) Provision for Income Tax (estimated).....	\$ 285,000.00
(3) Transferred to Reserve account.....	\$ 201,354.52
(4) Patronage Dividend to be used for purchase and transfer of Elevator Deductions and Commercial Reserves deductions.....	\$2,055,666.00

## Flour Mill

During the year the mill operated 89.8% of the possible operating time and averaged 1,200 barrels of flour and 40 tons of mill feeds per day. Altogether 904 carloads of wheat were unloaded. About four bushels and 18 pounds of wheat make a barrel of flour (196 pounds).

The average percentage of the various grades of wheat used in the mill mix throughout the year were as follows:

1 Nor.....	30.04%	3 Nor.....	3.76%
2 Nor.....	64.79%	4 Nor.....	.91%
		Other Grades.....	.50%

Domestic sales were 117,811 barrels and export sales 213,632 barrels. It is hoped that Domestic Sales will be doubled, as flour can be sold and distributed more economically on the home market.

After the mill paid a rental to the parent company of \$143,223.12 and provided \$162,152.64 for depreciation there was an operating loss of \$229,386.73 which was paid by Saskatchewan Pool Elevators Limited.

## Vegetable Oil Plant

The Vegetable Oil Plant and the Flour Mill are both operated under the Industrial Division of Saskatchewan Pool Elevators Limited.

After paying rent of \$26,828.82 to the parent company and setting up \$44,069.82 for depreciation there was a loss of \$87,600.43. The plant only operated for 81 days and processed 162,083 bushels of flax and the sale of oil and oil cake meal amounted to \$708,635.87.

The difficulties experienced in obtaining domestic and export markets has resulted in a considerable reduction in the total quantity of flax processed and oil produced.

## Modern Press Limited

In addition to printing The Western Producer, there is a very modern and complete Job Printing Plant. For the first time the Pool Calendar was printed in our own plant.

The Western Producer has a paid circulation of 153,653 and the paper continues to be a big factor in presenting Pool Policies and in expressing the viewpoint of the organized farmers on questions which concern their welfare.

After providing for depreciation of \$45,516.59 and charging interest amounting to \$36,628.47 on the net capital cost of the fixed assets, the operation of the company shows a loss of \$162,170.78 and this amount is charged to Saskatchewan Co-operative Producers Limited.

## Saskatchewan Co-operative Livestock Producers Limited

This Company owns and operates the four Livestock Yards at Regina, North Battleford, Swift Current and Yorkton and three Livestock Selling Agencies at Moose Jaw, Prince Albert and Saskatoon. Saskatchewan Co-operative Producers Limited, is joint owner of Canadian Livestock Co-operative (Western) Limited, St. Boniface.

During the year our Livestock division handled 220,498 cattle and calves, 117,451 hogs and 20,876 sheep and lambs. Of this number 60.15% were marketed through our own Saskatchewan agencies, the remaining 39.85% being marketed through Canadian Livestock Co-operative (Western) Limited, at St. Boniface.

The percentage of provincial deliveries of cattle and calves marketed co-operatively amounts to 40.7% and the hog percentage is also about the same as last year—37.1%.

Operations of co-operatively owned yards and agencies have helped to maintain stable

prices in the areas which they serve. After providing \$14,000.00 for income tax the net surplus of \$23,286.35 was transferred to Reserve account.

**Marketing** Marketing Western grain has become a major part of Canadian Government policy. In other countries, too, trade in food products is a responsibility of national governments. For instance, Canada exports wheat and flour to 35 countries under the International Wheat Agreement. In 17 of these nations, government agencies buy directly, in 12 others, imports are under license and in only one country out of 35, El Salvador, are imports free of all controls.

Western oats and barley were marketed through pools operated by the Wheat Board, beginning 1st August 1949.

Producers and consumers alike are seeking a method of marketing feed grains which will provide stability for the western grain grower and also for the livestock and dairy producer in Eastern and Maritime Provinces.

The Central Board made up of Directors from each of the three Provincial Pools have met the Minister of Trade and Commerce and other Members of the Cabinet from time to time during the past year. The recommendations to the Government include the following:

A settlement of the 5-year pool which shall include:

(a) A payment of approximately 48 million dollars, representing the amount by which wheat producers subsidized the people of Canada in the consumption of wheat during the period 1st March, 1945 to 17th February, 1947.

(b) A further payment representing the cash value to Western wheat growers of the "will have regard to" clause in the Canada-U.K. Wheat Agreement.

That we continue to urge that an interim payment be made on wheat already delivered to the Wheat Board.

That the marketing of coarse grains should be the sole responsibility of The Canadian Wheat Board and the speculative market should not be used in its operations.

That we continue to urge that the compulsory practice relating to the carcass grading of hogs and hog products should be eliminated and that it should be replaced by a compulsory system of either live grading or carcass grading at the option of the producer.

That an adequate scheme of crop insurance be worked out jointly by Dominion and Provincial authorities, the cost to be borne jointly by the Dominion and Provincial Governments and by the producers.

The Delegates, at this Annual Meeting, fully endorsed these recommendations as part of the Pool Policy.

## **Canadian Pool Agencies Limited and Pool Insurance**

The part played by these two Companies in increasing the surplus of the Parent Organization over the past years has been very satisfactory. In addition, the Insurance

Organizations have been instrumental in generally obtaining lower rates and broadening the protection. Since the inception of these two Companies, Saskatchewan Pool's share of the patronage dividend amounted to \$1,578,051.02. There are four Fire Inspectors calling at each elevator twice a year and reporting hazards requiring attention and their recommendations are effectively attended to by Saskatchewan Pool Elevators Limited. When the Pools first entered this field of insurance there was an average loss of seven elevators a year. Right now the average is about four elevators per year and the Pool Insurance Company carries 25% of the risk, the other 75% is divided between British and Canadian Companies.

## **Outside Speakers**

There was a number of outside speakers who brought greetings as well as submitting a considerable amount of very valuable information and who answered any questions that were asked. Among the speakers were Right Honorable C. D. Howe; Right Honorable J. G. Gardiner; Honorable T. C. Douglas; Mr. D. G. McKenzie, Chairman of the Board of Grain Commissioners; Mr. John Vallance, Commissioner; Dr. J. A. Anderson, Chief Chemist, Board of Grain Commissioners; Mr. W. C. McNamara, M. W. Riddel of the Canadian Wheat Board; Mr. J. L. Phelps, President of Saskatchewan Farmers Union; Mr. J. B. Brown, President of Canadian Co-operative Implements Limited; Mr. Geo. Urwin, President of Saskatchewan Federated Co-operatives Limited; Mr. H. O. Darby, Saskatchewan Teachers Association; Mr. Ben Plumer, President, Alberta Pool Elevators and Mr. G. N. McConnell, Vice-President, Manitoba Pool Elevators.

Dr. Anderson gave a very complete picture of the different qualities of wheat that go into making up the crop. In the end, soundness is a great factor in establishing the value of the crop to the miller and protein content is considered along with all the other

factors in the grading and assembling of the crop for market.

Dr. Anderson answered many questions that had to do with grading and inspection. From August 1 to November 3 only 42,751 cars of wheat passed inspection in Western Canada compared to 68,138 for the same period a year ago. Of this lot 59 per cent were listed in the contract grades, 4 Northern or better. Last year the comparative figure was 88 per cent.

Right Honorable C. D. Howe reviewed the Wheat Agreements and marketing problems and we quote from Mr. Howe's address: "Each year we produce millions of bushels of wheat, a large percentage of which must be sold abroad. If we are to keep away from the depressing effect of large carryovers, we must concern ourselves not only with the marketing of wheat in any one crop year, but also we must give careful attention to the continuity of our markets—we must see that as far as possible there is a continuous flow of Canadian wheat into importing countries sufficient to take care of at least a substantial part of our surplus production. Therefore, as far as the marketing of wheat is concerned, we are not only concerned with the immediate position, but we are always concerned with the markets we will need in the future."

Mr. Howe also dealt with the "have regard to" clause and answered several questions which were asked by Delegates.

Some information was given as to the improvement in the trade situation between Canada and Great Britain so that today our trading with the United Kingdom is on a two way basis. The Department of Trade and Commerce now have a Mission who are visiting the importing agencies governmental or private in the interests of the sale of Canadian wheat and flour.

**Conclusion** The Twenty-sixth Annual Meeting not alone provided an opportunity to review the business of the Wheat Pool and the subsidiary companies but it provided an opportunity to lay down policy for the coming year, to get first-hand information from many Provincial and National Leaders, but above all, it provided an opportunity for 166 elected Delegates to meet and discuss farm problems and welfare and to measure their own strength in building Co-operative Organizations to suit their needs.